

# Title 46

## PROFESSIONAL AND OCCUPATIONAL STANDARDS

### Part LXVII. Real Estate

#### Subpart 1. Real Estate

#### Chapter 1. Authority

##### §101. Adoption

A. The rules and regulations of the Louisiana Real Estate Commission contained herein have been adopted pursuant to and in compliance with R.S. 37:1431 et seq., and any violation of these rules or regulations, or of any real estate licensing law, shall be sufficient cause for any disciplinary action permitted by law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:477 (December 1978).

#### Chapter 3. Applications for Initial Licenses

##### §301. Requirements for Processing

A. Every applicant for an initial real estate broker's or salesman's license must meet the following requirements before his application will be processed by the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1437 and R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 2:276 (September 1976), amended LR 2:452 (December 1976), LR 3:396 (October 1977), LR 4:477 (December 1978), LR 9:314 (May 1983).

##### §303. Application

A. Every application must be fully completed, notarized and accompanied by the prescribed fees. In addition, every initial applicant for a salesperson's license must provide an affidavit signed by the sponsoring broker prior to issuance of the license.

1. The salesperson applicant may provide the affidavit signed by the sponsoring broker at the time he is making application to test; or

2. Upon passing the licensing examination the applicant must, within 90 days, submit to the Commission a statement of sponsorship signed by a licensed real estate broker acknowledging that he will serve as the applicant's sponsoring broker. The Commission, at its discretion, may extend the 90 day period upon a showing that factors beyond the control of the applicant warrant such an extension.

3. The license will not be issued and the applicant will not be permitted to operate as a licensed real estate salesperson until authorization in the form of a statement of

sponsorship from the sponsoring broker is on file with the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1437 and R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 2:276 (September 1976), amended LR 2:452 (December 1976), LR 3:396 (October 1977), LR 4:477 (December 1978), LR 9:314 (May 1983), LR 10:874 (November 1984), LR 11:6 (January 1985), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

##### §305. Receipt of Applications

A. All applications for the real estate license examination must be submitted to the Commission in accordance with scheduled Application Processing Division deadline. Applicants will not be scheduled for the exam until Application Processing determines the applicant meets all requirements. The responsibility for timely submission of initial applications rests solely with each individual applicant.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1437 and R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 2:276 (September 1976), amended LR 2:452 (December 1976), LR 3:396 (October 1977), LR 4:477 (December 1978), LR 9:314 (May 1983).

##### §307. Broker's License

A. Every applicant for an initial broker's license shall submit the following to the Commission:

1. a current credit report obtained from a recognized credit reporting agency;

2. a properly executed and notarized escrow account affidavit, if required pursuant to Chapter 27 and after the applicant has passed his broker's examination;

3. satisfactory proof that the applicant is a high school graduate or the holder of a certificate of high school equivalency;

4. a certificate of completion from a real estate school holding a certificate of authority from the Commission, or a copy of the applicant's university or college transcript indicating the title and number of the real estate related courses the applicant has completed, or evidence that the applicant is a holder in good standing of a broker's license in another state having educational requirements equal to or greater than those required by R.S. 37:1437 of an equivalent licensee in this state;

5. a completed testing service registration form provided to the applicant by the Commission; and

6. a letter or acknowledgment executed by the applicant's sponsoring broker if required pursuant to Chapter 19.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:1437 and R.S. 37:1435.

**HISTORICAL NOTE:** Promulgated by the Department of Commerce, Real Estate Commission, LR 2:276 (September 1976), amended LR 2:452 (December 1976), LR 3:396 (October 1977), LR 4:477 (December 1978), LR 9:314 (May 1983).

### **§309. Salesman's License**

A. Every applicant for an initial salesman's license shall submit the following to the Commission:

1. satisfactory proof that the applicant is a high school graduate or the holder of a certificate of high school equivalency;

2. a certificate of completion from a real estate school holding a certificate of authority from the Commission, or a copy of the applicant's university or college transcript showing completion of real estate related courses, or evidence that the applicant is a holder in good standing of a salesman's license in another state having educational requirements equal to or greater than those required by R.S. 37:1437 of an equivalent licensee in this state; and

3. a completed testing service registration form provided to the applicant by the Commission.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:1437 and R.S. 37:1435.

**HISTORICAL NOTE:** Promulgated by the Department of Commerce, Real Estate Commission, LR 2:276 (September 1976), amended LR 2:452 (December 1976), LR 3:396 (October 1977), LR 4:477 (December 1978), LR 9:314 (May 1983).

### **§311. High School Requirement**

A. Satisfactory proof that the applicant is a high school graduate or the holder of a certificate of high school equivalency may be established by the original or a copy of the applicant's high school diploma, the applicant's university or college diploma, the applicant's certificate of high school equivalency, or, if none of the above is available, by an affidavit stating the date and place of the applicant's high school graduation or the granting of the applicant's certificate of high school equivalency.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:1437 and R.S. 37:1435.

**HISTORICAL NOTE:** Promulgated by the Department of Commerce, Real Estate Commission, LR 2:276 (September 1976), amended LR 2:452 (December 1976), LR 3:396 (October 1977), LR 4:477 (December 1978), LR 9:314 (May 1983).

### **§313. Admittance Authorization**

A. Upon complying with the above requirements, an applicant shall be issued an admittance authorization from the testing service prior to the date of the examination. The

admittance authorization will specify the date, place and time of the examination for which admittance is authorized. An applicant must present his authorization and photographic evidence of the applicant's identity (e.g. driver's license, I.D. card) before taking the examination.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:1437 and R.S. 37:1435.

**HISTORICAL NOTE:** Promulgated by the Department of Commerce, Real Estate Commission, LR 2:276 (September 1976), amended LR 2:452 (December 1976), LR 3:396 (October 1977), LR 9:314 (May 1983), LR 15:80 (February 1989).

## **Chapter 5. Exams**

### **§501. Place, Date, Time of Exam**

A. Examinations shall be administered, after due notice thereof, only at the examination center, on the date, and at the time previously designated by the Commission.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:1440 and R.S. 37:1435.

**HISTORICAL NOTE:** Promulgated by the Department of Commerce, Real Estate Commission, LR 3:396 (October 1977), amended LR 4:223 (June 1978), LR 4:477 (December 1978), LR 9:315 (May 1983).

### **§503. Information on Admittance Authorization**

A. An examination may be taken only at the place, on the date and time authorized by the testing service.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:1440 and R.S. 37:1435.

**HISTORICAL NOTE:** Promulgated by the Department of Commerce, Real Estate Commission, LR 3:396 (October 1977), amended LR 4:223 (June 1978), LR 4:477 (December 1978), LR 9:315 (May 1983), LR 15:80 (February 1989).

### **§505. Identity**

A. An admittance ticket and photographic evidence of the applicant's identity (e.g. driver's license) shall be presented to the examination monitor by the applicant before an examination will be administered.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:1435 and R.S. 37:1440.

**HISTORICAL NOTE:** Promulgated by the Department of Commerce, Real Estate Commission, LR 3:396 (October 1977), amended LR 4:223 (June 1978), LR 4:477 (December 1978), LR 9:315 (May 1983).

### **§507. Failure to Appear**

A. Any applicant who fails to appear for an examination, as specified in his admittance ticket, shall forfeit all fees. He may reapply to take a subsequent examination, provided that he again remits all prescribed fees and obtains a new admittance ticket to take the subsequent examination. The Commission, at its discretion, may waive the second payment of such fees if it is demonstrated that factors beyond the control of the applicant prevented his appearance at his initially scheduled examination.

**AUTHORITY NOTE:** Promulgated in accordance with R.S.

37:1435 and R.S. 37:1440.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:396 (October 1977), amended LR 4:223 (June 1978), LR 4:477 (December 1978), LR 9:315 (May 1983).

### **§509. Disqualification**

A. Any applicant who is disqualified, for any reason, on an examination shall forfeit all fees. He may reapply to take a subsequent examination, provided that he again remits all prescribed fees and obtains a new admittance ticket to take the subsequent examination.

B. An applicant's supplying to others, or attempting to supply to others, specific information on copyrighted test questions appearing on any qualifying examination administered under the jurisdiction of the Commission shall be grounds for denial of license or suspension or revocation of the salesperson's license of a broker applicant.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1440.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:396 (October 1977), amended LR 4:223 (June 1978), LR 4:477 (December 1978), LR 9:315 (May 1983), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

### **§511. Failure**

A. Any applicant who takes and fails to pass his initial examination shall forfeit all examination fees. He may reapply to take a subsequent examination, provided that he remits a new examination fee within 90 days of his last test date and obtains a new admittance ticket to take the subsequent examination. After 90 days, the Commission's files shall be cleared and remittance of all prescribed fees and a new application shall be required. The Commission, at its discretion, may extend the 90 day retake period upon a showing that factors beyond the control of the applicant warrant such an extension.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1440.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:396 (October 1977), amended LR 4:223 (June 1978), LR 4:477 (December 1978), LR 9:315 (May 1983).

### **§513. Partial Failure**

A. Any applicant who takes an examination and passes either only the uniform portion or only the state portion shall be required to retake only that portion he failed to pass. He may reapply to take that portion at a subsequent examination, provided that he remits a new examination fee within 90 days of his last test date and obtains a new admittance ticket to take the subsequent examination. After 90 days, the Commission's files shall be cleared and remittance of all prescribed fees and a new application shall be required. The Commission, at its discretion, may extend the 90-day retake period upon a showing that factors beyond the control of the applicant

warrants such an extension.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1440.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:396 (October 1977), amended LR 4:223 (June 1978), LR 9:315 (May 1983).

### **§515. Out-of-State Salesman's License**

A. Any applicant for a real estate salesman's license who was previously licensed in his then state of residence as a real estate broker or salesman shall be required to take and pass only the Louisiana portion of an examination, provided he previously passed, within five years of applying for licensing in Louisiana, the uniform portion of a comparable broker's or salesman's examination administered by a national testing service approved by the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1440.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:396 (October 1977), amended LR 4:223 (June 1978), LR 9:315 (May 1983).

### **§517. Reference Materials**

A. Applicants may use nonprogrammable silent nonprinting calculating devices during examinations. Applicants may not have in their possession or utilize any reference material during examinations. Any applicant having in his possession or utilizing any reference material during an examination shall be immediately disqualified and asked to leave the examination center.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1440.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:396 (October 1977), amended LR 4:223 (June 1978), LR 4:477 (December 1978), LR 9:315 (May 1983).

## **Chapter 7. Fees**

### **§701. Refund of Fees**

A. Except as otherwise provided in these rules and regulations all fees submitted to the Commission are nonrefundable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1443.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:397 (October 1977), amended LR 4:477 (December 1978), LR 9:315 (May 1983), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

### **§703. Duration of Fees**

A. License fees shall cover a period of one calendar year and shall not be prorated.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1443.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:397 (October 1977),

amended LR 4:477 (December 1978), LR 9:315 (May 1983), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

#### **§705. Returned Checks Due to Insufficient Funds**

A. Payment of any fee with a check which is returned by a financial institution due to insufficient funds wherein the reason for not paying the check is not a fault of the financial institution shall be grounds for cancellation of the transaction for which the fee was submitted and/or the suspension or revocation of a license, registration or certificate.

B. Persons issuing checks to the Commission which are returned by financial institutions for insufficient funds will be notified of the return of the check by certified mail to the address registered by that person with the Commission. Within 10 days from the mailing of the notification, the person issuing the check will remit a certified check, cashier's check or money order payable to the Louisiana Real Estate Commission in the amount of the returned check plus a \$25 processing fee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and 37:1443.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 22:190 (March 1996).

## **Chapter 9. Renewal Applications**

### **§901. Timely Renewal of Licenses and Registrations**

A. The responsibility for the timely submission of renewal applications and the payment of the required fees rests solely with each individual licensee and registrant.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1442.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 2:277 (September 1976), amended LR 3:397 (October 1977), LR 4:477 (December 1978), LR 9:315 (May 1983), repromulgated LR 10:874 (November 1984), amended LR 11:6 (January 1985), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

### **§903. Automatic Suspension of Licenses on Nonrenewal of License by Sponsoring Broker**

A. The failure by a sponsoring broker to renew his license shall result in the automatic suspension, effective January 1 of the ensuing licensing period, of the real estate licenses of each associate broker or salesperson sponsored by that broker until such time as the sponsoring broker renews his license, the associate broker assumes an unaffiliated status, or the associate broker's or salesperson's license is transferred to a new sponsoring broker. During the period of suspension any practice by the licensee shall be deemed a violation of The Louisiana Real Estate License Law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1442.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 2:277 (September 1976),

amended LR 3:397 (October 1977), LR 9:315 (May 1983), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

### **§905. Renewal Application**

A. A salesman's or associate broker's renewal application must be signed by his sponsoring broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1442.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 2:277 (September 1976), amended LR 3:397 (October 1977), LR 4:478 (December 1978), LR 9:315 (May 1983).

### **§907. Continuing Education Required for Renewal**

A. Effective January 1, 1990 and thereafter, the active license of a real estate broker or salesperson shall not be renewed unless the broker or salesperson has completed eight hours of approved continuing education coursework during the immediately preceding license period. Coursework submitted by delinquent renewal applicants may either be obtained in the preceding license period or prior to submission of the delinquent renewal application to the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1442.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

## **Chapter 11. Delinquent Renewal**

### **§1101. Application for Delinquent Renewal**

A. Applications for delinquent renewal of broker's or salesperson's licenses and applications for delinquent renewal of timeshare registrations shall be accepted by the Commission only during the six-month period immediately following the last December 31 date on which the applicant held a valid license or registration. Every such application must be accompanied by an affidavit attesting to the real estate activities of the licensee or registrant subsequent to the expiration of the previous license or registration, and by the prescribed renewal and delinquent fees.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1442.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 2:277 (September 1976), amended LR 3:397 (October 1977), LR 4:478 (December 1978), LR 9:315 (May 1983), repromulgated LR 10:874 (November 1984), LR 11:6 (January 1985), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

### **§1103. Former Licences**

A. Former licensees who are not eligible for renewal because of delay beyond the six-month delinquent period shall apply as and meet all requirements of initial applicants.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1442.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 2:277 (September 1976), amended LR 3:397 (October 1977), LR 4:478 (December 1978), LR 9:315 (May 1983), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

## Chapter 12. Waiver

### §1201. Broker's License

A. The Commission may accept approved real estate course work obtained in other jurisdictions toward fulfillment of pre-licensing salesperson and/or broker educational hours. Real estate course work obtained from nationally recognized institutes may also apply toward fulfillment of broker pre-licensing hours. Every applicant for a Louisiana real estate license must complete an approved course of study in Louisiana consisting of at least 30 classroom hours of course work. Such course work shall include study of the Louisiana Real Estate License Law, Commission rules and regulations and Louisiana civil law relating to real estate.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 9:316 (May 1983), amended LR 12:509 (August 1986).

## Chapter 13. Broker Affiliation

### §1301. Associate Broker

A. A licensed broker may become exclusively affiliated as an associate broker with a sponsoring broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:397 (October 1977), amended LR 4:478 (December 1978), LR 9:316 (May 1983), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

### §1303. Notification by Broker Applicants

A. Any broker applicant who elects, if and when he is licensed, to become exclusively affiliated with a sponsoring broker shall notify the Commission in writing of the name of the sponsoring broker at the time the application is submitted. When the broker applicant is qualified for licensing as a broker, the Commission shall inscribe the name of the sponsoring broker on the license and issue the license to the sponsoring broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:397 (October 1977), amended LR 4:478 (December 1978), LR 9:316 (May 1983), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

### §1305. Notification by Individual Real Estate Broker

A. Any individual real estate broker who elects to become

exclusively affiliated with a sponsoring broker shall notify the Commission in writing prior to beginning such a relationship and provide the name of the sponsoring broker and the effective date of the relationship. The notification shall be accompanied by the broker's license and the transfer fee. The Commission shall inscribe the name of the sponsoring broker on the license and issue the license to the sponsoring broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:397 (October 1977), amended LR 9:316 (May 1983), repromulgated LR 10:874 (November 1984), amended LR 11:6 (January 1985), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

### §1307. Escrow Accounts Prohibited

A. Any broker who is exclusively affiliated with a sponsoring broker is prohibited from maintaining a sales escrow account or rental trust escrow account except as authorized in Chapter 27. All funds received by the associate broker in real estate transactions of any nature will be placed in the custody of his sponsoring broker and shall be deposited in the sales escrow account or rental trust escrow account of the sponsoring broker.

B. Associate brokers who were licensed as individual real estate brokers and who maintained sales escrow accounts or rental trust escrow accounts prior to affiliating with a sponsoring broker may continue to maintain those accounts for the limited and specific purpose of completing pending transactions, as authorized by Chapter 27.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:397 (October 1977), amended LR 9:316 (May 1983), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

## Chapter 15. Transfers and Terminations

### §1501. Notification to Broker Regarding Change of Status

A. Any associate broker or salesperson who elects to transfer his license from one sponsoring broker to another, and any associate broker who elects to terminate his relationship with a sponsoring broker and assume an unaffiliated status, shall notify his present sponsoring broker in writing by certified mail of the intended action and request that the sponsoring broker return his license to the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1441.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:397 (October 1977), amended LR 4:478 (December 1978), LR 9:316 (May 1983),